

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form 10-Q

(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended June 30, 2017

OR

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

COMMISSION FILE NUMBER 000-54697

THE CORETEC GROUP INC.

(Exact Name of small business issuer as specified in its charter)

Oklahoma
(State or other jurisdiction of
incorporation or organization)

73-1479206
(I.R.S. Employer
Identification No.)

6804 South Canton Avenue, Suite 150, Tulsa, Oklahoma 74136
(Address of principal executive offices) (Zip Code)

(918) 494-0505

(Registrant's telephone number, including area code)

3DICON CORPORATION

(Former name, former address and former fiscal year, if changed
since last report))

Indicate by check mark whether the registrant (1) has filed reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company or an emerging growth company. See definition of "large accelerated filer", "accelerated filer", "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
	(Do not check if a smaller reporting company)	Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of August 14, 2017, the issuer had 46,781,423 outstanding shares of Common Stock.

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PART I

Item 1. Financial Statements.

**THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)**

	<u>June 30, 2017</u>	<u>December 31, 2016</u>
Assets		
Current assets:		
Cash	\$ 5,323	\$ 594
Prepaid expenses	15,464	44,854
Other intangible assets	6,111	12,778
Total current assets	<u>26,898</u>	<u>58,226</u>
Property and equipment, net	2,142	6,131
Other assets:		
Patents, net	1,339,829	1,379,943
Goodwill	166,000	166,000
Deposits-other	2,315	2,315
Total other assets	<u>1,508,144</u>	<u>1,548,258</u>
Total Assets	<u>\$ 1,537,184</u>	<u>\$ 1,612,615</u>
Liabilities and Stockholders' Equity (Deficiency)		
Current liabilities:		
Notes payable - related party	\$ 1,191,075	\$ -
Notes and debentures payable	89,465	114,259
Accounts payable and accrued expenses	597,009	351,143
Accounts payable - related party	25,000	-
Accrued interest payable - related party	19,146	71,309
Accrued interest payable	158,615	17,615
Total current liabilities	<u>2,080,310</u>	<u>554,326</u>
Long term debt:		
Notes payable - related party, net	<u>34,200</u>	<u>1,054,325</u>
Total Liabilities	<u>2,114,510</u>	<u>1,608,651</u>
Stockholders' equity (deficiency):		
Preferred stock, Series A convertible, \$0.0002 par value, 500,000 shares authorized; 345,000 shares issued and outstanding	69	69
Preferred stock, Series B convertible, \$0.0002 par value, 6,600,000 shares authorized; 6,558,345 shares issued and outstanding	1,312	1,312
Common stock \$0.0002 par value, 1,500,000,000 shares authorized; 4,939,182 shares issued and outstanding	988	988
Additional paid-in capital	1,281,699	881,699
Accumulated deficit	(1,861,394)	(880,104)
Total Stockholders' Equity (Deficiency)	<u>(577,326)</u>	<u>3,964</u>
Total Liabilities and Stockholders' Equity (Deficiency)	<u>\$ 1,537,184</u>	<u>\$ 1,612,615</u>

Note – Share and per share information for the periods has been retroactively adjusted to reflect the June 28, 2017 one for 300 reverse split of the Company's common stock.

See notes to unaudited condensed consolidated financial statements

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Income:				
Revenue	\$ -	\$ -	\$ -	\$ -
Expenses:				
Research and development	155,437	69,451	260,807	82,199
General and administrative	315,489	32,665	596,820	64,381
Interest	81,497	6,736	123,663	11,307
Total expenses	<u>552,423</u>	<u>108,852</u>	<u>981,290</u>	<u>157,887</u>
Net loss	<u>\$ (552,423)</u>	<u>\$ (108,852)</u>	<u>\$ (981,290)</u>	<u>\$ (157,887)</u>
Loss per share:				
Basic and diluted	<u>\$ (0.112)</u>	<u>\$ N.A.</u>	<u>\$ (0.199)</u>	<u>\$ N.A.</u>
Weighted average shares outstanding, basic and diluted	<u>4,939,182</u>	<u>N.A.</u>	<u>4,939,182</u>	<u>N.A.</u>

Note – Share and per share information for the periods has been retroactively adjusted to reflect the June 28, 2017 one for 300 reverse split of the Company's common stock.

See notes to unaudited condensed consolidated financial statements

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIENCY)
Six Months Ended June 30, 2017
(unaudited)

	<u>Series A Preferred Stock</u>		<u>Series B Preferred Stock</u>		<u>Common Stock</u>		<u>Additional Paid-In Capital</u>	<u>Accumulated Deficit</u>	<u>Total</u>
	<u>Shares</u>	<u>Par Value</u>	<u>Shares</u>	<u>Par Value</u>	<u>Shares</u>	<u>Par Value</u>			
Balance December 31, 2016	345,000	\$ 69	6,558,345	\$ 1,312	4,939,182	\$ 988	\$ 881,699	\$ (880,104)	\$ 3,964
Recognition of beneficial conversion feature	-	-	-	-	-	-	350,000	-	350,000
Options issued to purchase common stock							50,000		50,000
Net loss for the period	-	-	-	-	-	-	-	(981,290)	(981,290)
Balance June 30, 2017	345,000	\$ 69	6,558,345	\$ 1,312	4,939,182	\$ 988	\$ 1,281,699	\$ (1,861,394)	\$ (577,326)

Note – Share and per share information for the periods has been retroactively adjusted to reflect the June 28, 2017 one for 300 reverse split of the Company's common stock.

See notes to unaudited condensed consolidated financial statements

THE CORETEC GROUP INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

	Six Months Ended June 30,	
	2017	2016
Cash Flows from Operating Activities		
Net loss	\$ (981,290)	\$ (157,887)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation	498	558
Amortization - intangible assets	46,782	556
Amortization - debt discount	34,200	-
Options issued for common stock	50,000	-
Loss on sale of property and equipment	3,259	-
Change in:		
Prepaid expenses	29,390	(22,133)
Accounts payable and accrued liabilities	359,702	30,075
Net cash used in operating activities	<u>(457,459)</u>	<u>(148,831)</u>
Cash Flows from Investing Activities		
Purchase of property and equipment	(2,268)	-
Purchase of intangible assets	-	(20,000)
Net payments from related party	-	5,000
Proceeds from sale of property and equipment	2,500	-
Net cash provided by (used in) investing activities	<u>232</u>	<u>(15,000)</u>
Cash Flows from Financing Activities		
Payments on insurance premium financing	(24,794)	-
Proceeds from note payable-related party	486,750	155,520
Net cash provided by financing activities	<u>461,956</u>	<u>155,520</u>
Net change in cash	4,729	(8,311)
Cash, beginning of period	594	8,811
Cash, end of period	<u>\$ 5,323</u>	<u>\$ 500</u>
Supplemental Disclosure of Cash Flow Information		
Cash paid during the period for interest	\$ 626	\$ -

Note – Share and per share information for the periods has been retroactively adjusted to reflect the June 28, 2017 one for 300 reverse split of the Company's common stock.

See notes to unaudited condensed consolidated financial statements

THE CORETEC GROUP INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Business Organization, Nature of Business and Basis of Presentation

Nature of Business

On June 22, 2017, The Coretec Group Inc. (the “Group”) (formerly 3DIcon Corporation) filed an Amended Certificate of Incorporation (the “Amendment”) with the Secretary of State of the State of Oklahoma, to (i) change its name from “3DIcon Corporation” to “The Coretec Group Inc.” (“Name Change”) and to (ii) effect a 1-for-300 reverse stock split (“Reverse Split”). The Name Change and Reverse Split became effective with the State of Oklahoma on June 28, 2017 and with the Financial Industry Regulatory Authority, Inc. (“FINRA”) on June 29, 2017 (“Effective Time”).

The financial statements for all prior periods have been retroactively adjusted to reflect the Reverse Split which allowed the Company to have a sufficient number of common shares to convert our convertible notes, Series A and Series B Preferred shares into common shares. As a result of the reverse split, each three hundred (300) outstanding shares of pre-split common stock were automatically combined into one (1) share of post-split common stock. No fractional shares of the Company’s Common Stock were issued in connection with the Reverse Split. Shareholders who would otherwise be entitled to a fractional share will instead receive a new certificate rounding up their fractional share to the next nearest full share. The financial statements for all prior periods have been retroactively adjusted to reflect this stock split for both common stocks issued and options outstanding.

The Coretec Group Inc. was incorporated on August 11, 1995, under the laws of the State of Oklahoma. The Company’s primary activity has been the raising of capital in order to pursue its goal of becoming a significant participant in the development, commercialization and marketing of next generation 3D display technologies.

Coretec Industries, LLC (“Coretec”), a wholly owned subsidiary of The Coretec Group Inc. (collectively the “Company”), was organized on June 2, 2015 in the state of North Dakota. Coretec is currently developing, testing, and providing new and/or improved technologies, products, and service solutions for medical, electronic, photonic, display, and lighting markets among others.

Reverse Acquisition

On May 31, 2016, the Group entered into a Share Exchange Agreement (the “Share Exchange Agreement”) with Coretec and four Coretec members (the “Members”), which Members held all outstanding membership interests in Coretec. On September 30, 2016 (the “Closing Date”), the Group closed the transaction contemplated by the Share Exchange Agreement. Pursuant to the Share Exchange Agreement, the Members agreed to sell all their membership interests in Coretec to the Group in exchange for the Group’s issuance of an aggregate 4,760,872 shares of the Group’s Series B Convertible Preferred Stock to the Members (the “Share Exchange”). Coretec became a wholly-owned subsidiary of the Group and the former Members beneficially own approximately 65% of the Group’s common stock on a fully-diluted basis. Upon the closing of the Share Exchange, two of the Group’s Directors resigned and three new Directors associated with Coretec were nominated and elected, giving control of the board of directors to former Coretec Members. The 65% holders of the Group common stock will be unable to sell that stock for a period of one year under the terms of a lock-up agreement reached between the parties. Mr. Victor Keen, the largest shareholder of the Group prior to the reverse acquisition, is also a participant in the lock-up agreement.

Basis of Presentation

The accompanying condensed consolidated financial statements of the Company have been prepared without audit pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). Certain information and footnote disclosures normally included in the consolidated financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. The Company believes that the disclosures made are adequate to make the information presented not misleading. These condensed consolidated financial statements should be read in conjunction with the Company’s year-end audited consolidated financial statements and related footnotes included in the previously filed Form 10-K, and in the opinion of management, reflects all adjustments necessary to present fairly the condensed consolidated financial position of the Company. The condensed consolidated results of operations for interim periods may not be indicative of the results which may be realized for the full year.

Under accounting principles generally accepted in the United States of America (“U.S. GAAP”), the acquisition is treated as a “reverse acquisition” under the purchase method of accounting (see Note 4). The pre-merger financial statements reflect the operations of Coretec. The Group’s assets and liabilities were consolidated with the assets and liabilities of Coretec as of the September 30, 2016 consummation of the acquisition. The number of shares issued and outstanding and additional paid-in capital of the Company have been retroactively adjusted to reflect the equivalent number of shares issued by the Company in the Share Exchange, while Coretec’s historical members’ deficit is being carried forward as the Group’s accumulated deficit. All costs attributable to the reverse merger were expensed.

Note 2 – Going Concern and Management’s Plans

The Company has realized a cumulative net loss of \$1,861,394 for the period from inception (June 2, 2015) to June 30, 2017, has negative working capital of \$2,053,412, and no revenues. These conditions raise substantial doubt about the Company’s ability to continue as a going concern for a year following the issuance of these condensed consolidated financial statements. The Company has insufficient revenue and capital commitments to fund the development of its planned products and to pay operating expenses.



THE CORETEC GROUP INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The ability of the Company to continue as a going concern depends on the successful completion of the Company's capital raising efforts to fund the development of its planned products. The Company intends to continue to raise additional capital through debt and equity financings. There is no assurance that these funds will be sufficient to enable the Company to fully complete its development activities or attain profitable operations. If the Company is unable to obtain such additional financing on a timely basis or, notwithstanding any request the Company may make, the Company's debt holders do not agree to convert their notes into equity or extend the maturity dates of their notes, the Company may have to curtail its development, marketing and promotional activities, which would have a material adverse effect on the Company's business, financial condition and results of operations, and ultimately the Company could be forced to discontinue its operations and liquidate.

The accompanying condensed consolidated financial statements have been prepared in conformity with U.S. GAAP, which contemplates the continuation of the Company as a going concern and the realization of assets and satisfaction of liabilities in the normal course of business. The carrying amounts of assets and liabilities presented in the condensed consolidated financial statements do not necessarily purport to represent realizable or settlement values. The condensed consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Note 3 – Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated condensed balance sheets as of June 30, 2017 and December 31, 2016 include the accounts of the Group and its wholly owned subsidiary, Coretec. The consolidated condensed statements of operations for the three and six months ended June 30, 2017 and cash flows for the six months ended June 30, 2017 include the accounts of the Group and its wholly owned subsidiary, Coretec. The consolidated condensed statements of operations for the three and six months ended June 30, 2016 and cash flows for the six months ended June 30, 2016 include the historical results of Coretec prior to the completion of the reverse acquisition since it was determined to be the accounting acquirer, and do not include the historical results of operations or cash flows for the Group prior to the completion of the acquisition. Intercompany transactions and balances have been eliminated in consolidation.

Reclassification

Certain amounts in prior periods have been reclassified to conform to the current period presentation. These reclassifications had no effect on previously reported net loss.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and the disclosure of contingent assets and liabilities. Actual results could differ from the estimates and assumptions used.

Long-Lived Assets

Long-lived assets, such as property and equipment and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If circumstances require a long-lived asset or asset group be tested for possible impairment, the Company first compares undiscounted cash flows expected to be generated by that asset or asset group to its carrying value. If the carrying value of the long-lived asset or asset group is not recoverable on an undiscounted cash flow basis, impairment is recognized to the extent that the carrying value exceeds its fair value. Fair value is determined through various valuation techniques including discounted cash flow models, quoted market values and third party independent appraisals, as considered necessary.

Fair Value of Financial Instruments

The following methods and assumptions were used to estimate the fair value of each class of financial instrument held by the Company:

Current assets and current liabilities - The carrying value approximates fair value due to the short maturity of these items.

Notes payable – The fair value of the Company's notes payable has been estimated by the Company based upon the liability's characteristics, including interest rate. The carrying value approximates fair value.

THE CORETEC GROUP INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Beneficial Conversion Feature of Convertible Notes Payable

The Company accounts for convertible notes payable in accordance with the guidelines established by the Financial Accounting Standards Board's ("FASB") Accounting Standards Codification ("ASC") Topic 470-20, Debt with Conversion and Other Options, Emerging Issues Task Force ("EITF") 98-5, Accounting for Convertible Securities with Beneficial Conversion Features or Contingently Adjustable Conversion Ratios, and EITF 00-27, Application of Issue No 98-5 To Certain Convertible Instruments. The beneficial conversion feature of a convertible note is normally characterized as the convertible portion or feature of certain notes payable that provide a rate of conversion that is below market value or in-the-money when issued. The Company records a beneficial conversion feature related to the issuance of a convertible note when issued.

The beneficial conversion feature of a convertible note is credited to additional paid-in-capital. The intrinsic value is recorded in the consolidated financial statements as a debt discount and such discount is amortized over the expected term of the convertible note and is charged to interest expense.

Basic and Diluted Loss Per Common Share

Basic loss per common share is computed by dividing net loss by the weighted average number of vested common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if securities or other instruments to issue common stock were exercised or converted into common stock. Since the Closing Date of the Share Exchange on September 30, 2016 and no common stock was issued to Coretec in the reverse acquisition, the Company did not compute weighted average common shares outstanding for the periods ended June 30, 2016.

The following securities are excluded from the calculation of weighted average dilutive common shares because their inclusion would have been anti-dilutive:

	June 30,	
	2017	2016
Options	284,166	-
Warrants	65,228	-
Series A convertible preferred stock	115,000	-
Series B convertible preferred stock	41,842,241	41,842,241
Convertible debentures	61,122,346	-
Total potentially dilutive shares	103,428,981	41,842,241

The table above for all periods has been retroactively adjusted to reflect the Reverse Split.

Subsequent Events

The Company evaluates events that have occurred after the balance sheet date but before the condensed consolidated financial statements are issued. Based upon the evaluation, the Company did not identify any recognized or non-recognized subsequent events that would have required adjustment or disclosure in the condensed consolidated financial statements, except as disclosed.

Recent Accounting Pronouncements

The following is a summary of recent accounting pronouncements that are relevant to the Company:

In February 2016, the FASB issued accounting standards update (ASU) No. 2016-02, *Leases (Topic 842)* intended to increase transparency and comparability among companies by requiring most leases to be included on the balance sheet and by expanding disclosure requirements. This is effective for public business entities for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. Early application is permitted for all public business entities and all nonpublic business entities upon issuance. The Company is currently evaluating the impact that this new guidance may have on its consolidated results of operations, cash flows, financial position and disclosures.

Note 4 – Share Exchange Agreement

On May 31, 2016, the Group entered into a Share Exchange Agreement with Coretec and its Members, which Members held all outstanding membership interests in Coretec. Pursuant to the Share Exchange Agreement, the Members agreed to sell all their membership interests in Coretec to the Group in exchange for the Group's issuance of an aggregate 4,760,872 shares of the Group's Series B Convertible Preferred Stock to the Members. Upon the closing of the Share Exchange on the Closing Date, considering any preferred stock on an "as converted" basis, approximately 65% of the Group's issued and outstanding common stock is now owned by the former Coretec Members. The remaining 35% is held by the Group's prior stockholders. The acquisition is treated as a "reverse acquisition" (See Note 1).

The following unaudited pro forma results for the three and six months ended June 30, 2016 summarizes the consolidated results of operations of the Company, assuming the reverse acquisition had occurred on January 1, 2016 and after giving effect to the reverse acquisition adjustments, including amortization of tangible and intangible assets acquired in the transaction:

	June 30, 2016	
	Three Months Ended	Six Months Ended
Net revenues	\$ -	\$ -
Net loss	\$ (559,476)	\$ (851,158)

THE CORETEC GROUP INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 5 – Debentures and Notes Payable

	June 30, 2017	December 31, 2016
<i>Notes and debentures payable:</i>		
5.25% Insurance premium finance agreement, due June 2017	\$ -	\$ 24,794
9% Promissory note due June 2017	25,341	25,341
4.75% Convertible debenture due December 2017	64,124	64,124
Total notes and debentures payable	<u>\$ 89,465</u>	<u>\$ 114,259</u>
<i>Notes payable - related party:</i>		
14% Term loan due June 2018	\$ 213,993	\$ 213,993
14% Term loan due June 2018	576,500	440,500
14% Term loan due June 2018	400,582	399,832
7% Convertible promissory note due March 2019, net	32,967	-
7% Convertible promissory note due June 2019, net	1,233	-
Total notes payable - related party	<u>1,225,275</u>	<u>1,054,325</u>
Less current portion	<u>(1,191,075)</u>	<u>-</u>
Long term debt	<u>\$ 34,200</u>	<u>\$ 1,054,325</u>

5.25% Insurance premium finance agreement, due June 2017

The Company made payments of \$24,794 against the insurance premium financing obligation during the six months ended June 30, 2017.

9% Promissory note due June 1, 2017

On February 21, 2017, the Group received a letter from Golden State Equity Investors, Inc. (“Golden State”), the holder of the note, extending the maturity date of the 9% promissory note to June 1, 2017 with the condition that if the Reverse Split occurred by June 1, 2017, the maturity date of the note would be further extended to April 1, 2018. The Reverse Split did not occur until June 28, 2017 and the Group is in default on the 9% note. During default, the unpaid principal balance and unpaid accrued interest will accrue interest at 14% and all unpaid principal and interest may become immediately due under the terms of the note.

The Group is currently in discussions with Golden Gate to further extend the maturity date of the note and cure the default.

14% Term loan due June 2018, related party

Mr. Victor Keen, Co-Chairman of the Board of Directors, advanced an additional \$136,000 during the six months ended June 30, 2017. As of June 30, 2017, an aggregate amount of \$576,500 is due to Mr. Keen under the 14% term loan. As of June 30, 2017, accrued interest related to the 14% term loan amounted to \$59,945 and interest expense was \$39,427 for the six months ended June 30, 2017.

As of June 30, 2017, Carlton James North Dakota Limited (“CJNDL”), a company owned by Mr. Simon Calton, Co-Chairman of the Board of Directors, has advanced \$614,575 to the Company under the terms of two loans, which are included in notes payable. As of June 30, 2017, accrued interest related to the CJNDL term loans due June 2018 amounted to \$93,896 and interest expense was \$43,105 during the six months ended June 30, 2017.

7% Convertible promissory note due March 2019

On March 30, 2017, the Company issued to Mr. Victor Keen, Co-Chairman of the Board of Directors, a 7% convertible promissory note in a principal amount of \$250,000, due March 1, 2019 (“Maturity Date”). The promissory note shall automatically convert into eight percent (8%) of the fully diluted outstanding shares of common stock of the Company calculated after giving effect to (a) the exercise of all outstanding options, warrants or other rights to acquire shares of common stock of the Company, (b) the conversion of all outstanding convertible or exchangeable securities, and (c) after giving effect to the issuance of common stock upon conversion of this note (the “Conversion Shares”). The conversion shall not occur until both of the following two events shall have occurred (the “Conversion Event”): (i) the consummation of the Reverse Split by the Company as reflected in the Preliminary Information Statement filed with the Securities and Exchange Commission on March 7, 2017, and (ii) the conversion of all the Company’s issued and outstanding Series A Convertible Preferred Stock and Series B Convertible Preferred Stock into the Conversion Shares. If the Conversion Event has not occurred prior to the earlier to occur of the Maturity Date and the occurrence of an event of default, then this note shall not be automatically converted into the Conversion Shares and Mr. Victor Keen may elect, at his sole discretion, (i) to have the outstanding principal balance of this note converted into the Conversion Shares; or (ii) to declare the outstanding principal balance of this note, together with all accrued interest, be paid in accordance with the terms of the note. Such election may be made at any time on or following the Maturity Date or the occurrence of an event of default. This note is an unsecured obligation of the Company. The accrued interest and interest expense related to the \$250,000 7% Convertible Promissory Note amounted to \$4,599 during the six months ended June 30, 2017. The embedded conversion option was deemed to be a beneficial conversion feature because the active conversion price was less than the commitment date market price of the common stock. The dollar amount of the beneficial conversion feature is limited to the carrying value of the promissory note, so a \$250,000 debt discount was recorded, with a corresponding credit to additional paid-in capital for the beneficial conversion feature. The debt discount will be amortized over the life of the debt and \$32,967 was amortized during the six months ended June 30, 2017.

7% Convertible promissory note due June 2019

On June 21, 2017, the Company issued to Mr. Victor Keen, Co-Chairman of the Board of Directors, a 7% convertible promissory note in a principal amount of \$100,000, due June 21, 2019. The promissory note shall automatically convert into four percent (4%) of the fully diluted outstanding shares of common stock of the Company calculated after giving effect to (a) the exercise of all outstanding options, warrants or other rights to acquire shares of common stock of the Company, (b) the conversion of all outstanding convertible or exchangeable securities, and (c) after giving effect to the issuance of common stock upon conversion of this note (the "Conversion Shares"). The conversion shall not occur until both of the following two events shall have occurred (the "Conversion Event"): (i) the consummation of the Reverse Split by the Company as reflected in the Preliminary Information Statement filed with the Securities and Exchange Commission on March 7, 2017, and (ii) the conversion of all of the Company's issued and outstanding Series A Convertible Preferred Stock and Series B Convertible Preferred Stock into the Conversion Shares. If the Conversion Event has not occurred prior to the earlier to occur of the Maturity Date and the occurrence of an event of default, then this note shall not be automatically converted into the Conversion Shares and Mr. Victor Keen may elect, at his sole discretion, (i) to have the outstanding principal balance of this note converted into the Conversion Shares; or (ii) to declare the outstanding principal balance of this note, together with all accrued interest, be paid in accordance with the terms of the note. Such election may be made at any time on or following the Maturity Date or the occurrence of an event of default. This note is an unsecured obligation of the Company. The accrued interest and interest expense related to the \$100,000 7% Convertible Promissory Note amounted to \$175 during the six months ended June 30, 2017. The embedded conversion option was deemed to be a beneficial conversion feature because the active conversion price was less than the commitment date market price of the common stock. The dollar amount of the beneficial conversion feature is limited to the carrying value of the promissory note, so a \$100,000 debt discount was recorded, with a corresponding credit to additional paid-in capital for the beneficial conversion feature. The debt discount will be amortized over the life of the debt and \$1,233 was amortized during the six months ended June 30, 2017.

THE CORETEC GROUP INC.
NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Note 6 – Commitments and Contingencies

Litigation, Claims, and Assessments

The Company may be involved in legal proceedings, claims and assessments arising in the ordinary course of business. In the opinion of management, such matters are currently not expected to have a material impact on the Company's consolidated financial statements. The Company records legal costs associated with loss contingencies as incurred and accrues for all probable and estimable settlements.

Supply Agreement

On December 13, 2016, the Company entered into a Supply Agreement (the "Supply Agreement") with Gelest Inc., a Pennsylvania corporation ("Gelest"). This Supply Agreement is for the purchase and sale of Cyclohexasilane ("CHS") or the "Products") as set forth in the Supply Agreement, pursuant to which the Company agrees to use Gelest as a primary source to manufacture the Products for the duration of three years from the effective date.

An initial estimate of pricing for the Products is set forth in the Supply Agreement, which varies from \$28/gram to \$35/gram based on the quantity that is being purchased. Final pricing will be reviewed and adjusted annually based on prior year's consumption and/or as the global economic conditions dictate, taking into account market conditions and raw material price fluctuations.

Under the terms of the Supply Agreement, Gelest will scale-up production of CHS, within their available capacity of 12-18 Kg per year, and further optimize the manufacturing process licensed by the purchaser from NDSU Research Foundation ("NDSU/RF"). The term of this project is 90 days from the receipt of the first installment of YSi6Cl14 salt from the purchaser. The cost for scale-up and manufacturing optimization is \$180,000 to be paid by the purchaser in two installments. The initial installment of \$18,000 was paid upon finalizing this Supply Agreement. The second installment of \$162,000 is to be paid net 30 days from availability for shipment of between 200 – 400 grams of the initial product of the quality stated in the Supply Agreement. As of the date of filing, the Company has not paid the second installment, as Gelest has yet to complete the production of material.

Office Lease

The Company entered into a lease agreement in June 2015 for office space in North Dakota that was canceled on April 30, 2017 with no cancellation costs paid or due. The Company has an amended office lease in Tulsa, Oklahoma that will expire on July 31, 2018. Rent expense for operating leases was \$19,500 and \$14,936 for the six-month periods ended June 30, 2017 and 2016, respectively.

Note 7 – Research Grant North Dakota

The North Dakota Center of Excellence Commission awarded a funding request for Research North Dakota ("RND") grant to NDSU Chemistry and Biochemistry in partnership with the Company. RND promotes the development and commercialization of products and processes through industry/university research partnerships. RND provides matching funds to help companies pay for the university research. The \$150,000 matching grant is effective April 1, 2017 and expires on March 31, 2018. The Company shall provide for a match to State dollars of at least \$1:\$1. The match can be in the form of contribution directly to NDSU or cash expended by the Company on valid cost incurred in support of the project. The purpose of the grant is to improve the yield and purity of the key ingredients required for an economical synthesis of CHS, an ingredient for making a variety of commercially important silicon based materials and materials for lightweight batteries and lightweight solar cells. There were no expenditures under the grant for the three months and six months periods ended June 30, 2017.

Note 8 – Options Issued to Purchase Common Stock

On March 21, 2017, the Company and Mr. Michael Kraft entered into a Consulting Agreement, pursuant to which the Company granted Mr. Kraft an option to purchase from the Company \$50,000 of stock at the market price on the date of the execution of the Reverse Split, which became effective on June 28, 2017. Accordingly, the \$50,000 value of options calculates to 208,160 shares based upon the \$0.24 closing price on June 28, 2017.

The \$50,000 estimated fair value of options to purchase common stock issued in 2017 was determined using the Black-Scholes option pricing model. The expected dividend yield of \$0 is based on the average annual dividend yield at the date issued. Expected volatility of 260.52% is based on the historical volatility of the stock. The risk-free interest rate of 1.84% is based on the U.S. Treasury Constant Maturity rates as of the issue date. The expected life of the warrants of ten years is based on historical exercise behavior and expected future experience.

Note 9 – Subsequent Events

On July 27, 2017, the Company converted the total outstanding Series B Preferred shares of 6,558,345 into Common shares totaling 41,842,241 under the terms of the Certificate of Designation of the Series B Convertible Preferred Stock.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

The information in this report contains forward-looking statements. All statements other than statements of historical fact made in this report are forward looking. In particular, the statements herein regarding industry prospects and future results of operations or financial position are forward-looking statements. These forward-looking statements can be identified by the use of words such as "believes," "estimates," "could," "possibly," "probably," "anticipates," "projects," "expects," "may," "will," or "should" or other variations or similar words. No assurances can be given that the future results anticipated by the forward-looking statements will be achieved. Forward-looking statements reflect management's current expectations and are inherently uncertain. Our actual results may differ significantly from management's expectations.

This Quarterly Report on Form 10-Q includes the accounts of The Coretec Group Inc., an Oklahoma corporation, together with its wholly-owned subsidiary, Coretec Industries LLC, a North Dakota limited liability corporation based in Fargo, North Dakota (individually referred to as "Coretec"). References in this Report to "we", "our", "us" or the "Group" refer to The Coretec Group Inc. and its consolidated subsidiary unless context dictates otherwise.

The following discussion and analysis should be read in conjunction with our financial statements, included herewith. This discussion should not be construed to imply that the results discussed herein will necessarily continue into the future, or that any conclusion reached herein will necessarily be indicative of actual operating results in the future. Such discussion represents only the best present assessment of our management.

Plan of Operation

Background:

On June 22, 2017, The Coretec Group Inc. (the "Group") filed an Amended Certificate of Incorporation with the Secretary of State of the State of Oklahoma to change its name from "3DIcon Corporation" to "The Coretec Group Inc.", which became effective on June 29, 2017.

The Company, formerly known as 3DIcon Corporation, was incorporated on August 11, 1995, under the laws of the State of Oklahoma. The Company's primary activity has been the raising of capital in order to pursue its goal of becoming a significant participant in the development, commercialization and marketing of next generation 3D display technologies.

On September 30, 2016 (the "Closing Date"), we closed a transaction contemplated by a Share Exchange Agreement dated May 31, 2016 (the "Share Exchange Agreement") with Coretec Industries, LLC ("Coretec"). Pursuant to the Share Exchange Agreement, Coretec became a wholly-owned subsidiary of the Company. Coretec was organized on June 2, 2015 in the state of North Dakota. It is currently developing, testing, and providing new and/or improved technologies, products, and service solutions for medical, electronic, photonic, display, and lighting markets among others.

The combination of the two companies provides a significant number of opportunities to increase shareholder value by:

- Providing technological support to advance the refinement of CSspace image material;
- Adding recognized expertise to the team;
- Creating the opportunity for near-term revenue; and
- Adding a significant portfolio of Intellectual Property.

Recent Developments

Supply Agreement

On December 13, 2016, we entered into a Supply Agreement (the "Supply Agreement") with Gelest Inc., a Pennsylvania corporation ("Gelest"). This Supply Agreement is for the purchase and sale of Cyclohexasilane ("CHS") as set forth in the Supply Agreement (the "Products"), pursuant to which the Company agrees to use Gelest as a primary source to manufacture the Products for a period of three years. North Dakota State University ("NDSU") provided raw materials required to produce CHS to Gelest in January 2017. Efforts by Gelest to scale the manufacturing process for CHS are ongoing with the goal of producing up to 400 grams of material that will be available for sale to potential customers. An initial estimate of pricing for the Products is set forth in the Supply Agreement, which varies from \$28/gram to \$35/gram based on the quantity and quality of material that is being purchased. We believe this price is competitive with competing higher order silanes such as trisilane and neopentasilane while offering a number of advantages.

Research North Dakota Grant

The North Dakota Center of Excellence Commission awarded a funding request for Research North Dakota (“RND”) grant to NDSU Chemistry and Biochemistry in partnership with the Company. RND promotes the development and commercialization of products and processes through industry/university research partnerships. RND provides matching funds to help companies pay for the university research. The \$150,000 matching grant is effective April 1, 2017 and expires on March 31, 2018. We shall provide for a match to State dollars of at least \$1:\$1. The match can be in the form of contribution directly to NDSU or cash expended by us on valid costs incurred in support of the project. The purpose of the grant is to improve the yield and purity of the key ingredients required for an economical synthesis of CHS, an ingredient for making a variety of commercially important silicon based materials and materials for lightweight batteries and lightweight solar cells.

Name Change and Reverse Stock Split

On June 22, 2017, the Company filed an Amended Certificate of Incorporation (the “Amendment”) with the Secretary of State of the State of Oklahoma, to (i) change its name from “3DIcon Corporation” to “The Coretec Group Inc.” (“Name Change”) and to (ii) effect a 1-for-300 reverse stock split (“Reverse Split”). The Name Change and Reverse Split became effective with the State of Oklahoma on June 28, 2017 and with the Financial Industry Regulatory Authority, Inc. (“FINRA”) on June 29, 2017 (“Effective Time”).

At the Effective Time, each 300 shares of the Company’s common stock, par value \$.0002 per share (“Common Stock”), issued and outstanding were converted and reclassified into one share of the Company’s Common Stock. No fractional shares of the Company’s Common Stock were issued in connection with the Reverse Split. Shareholders who would otherwise be entitled to a fractional share will instead receive a new certificate rounding up their fractional share to the next nearest full share.

The Common Stock is currently quoted on OTC Pink under “CRTG”.

Results of Operations

RESULTS OF OPERATIONS FOR THE THREE MONTHS ENDED JUNE 30, 2017 COMPARED TO THE THREE MONTHS ENDED JUNE 30, 2016

Revenue

We did not have revenue for the three-month periods ended June 30, 2017 and 2016.

Research and Development Expenses

The research and development expenses were \$155,437 for the three months ended June 30, 2017, as compared to \$69,451 for the three months ended June 30, 2016. The approximate \$86,000 increase was a result of the increase in activity with NDSU under the Exclusive License and the cost incurred under the SRA with NDSU of approximately \$63,000 and an increase of patent amortization of approximately \$23,000.

General and Administrative Expenses

Our general and administrative expenses were \$315,489 for the three months ended June 30, 2017, as compared to \$32,665 for the three months ended June 30, 2016. The approximate \$283,000 increase is due primarily to costs incurred of being a publicly reporting company and the related administrative expense of our combined entities. Those costs include the increase of approximately \$108,000 for consultants and executive officers, \$75,000 increase in stock bonuses and stock options issued, approximately \$23,000 increase in legal fees, approximately \$8,000 in filing fees, approximately \$15,000 in insurance costs, approximately \$20,000 for transfer agent fees, \$5,000 for web page design and approximately \$28,000 for administrative salaries and related expenses.

Interest Expense

Interest expense for the three months ended June 30, 2017 was \$81,497 as compared to \$6,736 for the three months ended June 30, 2016. The approximate \$75,000 increase was a result of the increase in the amount of our notes payable and debentures payable outstanding during the period.

RESULTS OF OPERATIONS FOR THE SIX MONTHS ENDED JUNE 30, 2017 COMPARED TO THE SIX MONTHS ENDED JUNE 30, 2016

Revenue

We did not have revenue for the six-month periods ended June 30, 2017 and 2016.

Research and Development Expenses

The research and development expenses were \$260,807 for the six months ended June 30, 2017, as compared to \$82,199 for the six months ended June 30, 2016. The approximate increase of \$179,000 was a result of the increase in activity with NDSU under the Exclusive License and the cost incurred under the SRA with NDSU of approximately \$130,000, the approximately \$47,000 increase of patent amortization and travel expenses of \$2,000.

General and Administrative Expenses

Our general and administrative expenses were \$596,820 for the six months ended June 30, 2017, as compared to \$64,381 for the six months ended June 30, 2016. The approximately \$532,000 increase is due primarily to costs incurred of being a publicly reporting company and the related administrative expense of our combined entities. Those cost include the increase of approximately \$187,000 for consultants and executive officers, \$75,000 increase in stock bonuses and options issued, approximately \$51,000 increase in legal fees, approximately \$19,000 in filing fees, approximately \$30,000 in insurance costs, approximately \$19,000 for transfer agent fees, \$12,000 for marketing and new releases, \$5,000 for web page design, accounting and audit fees of \$67,000 and approximately \$59,000 for administrative salaries and related expenses.

Interest Expense

Interest expense for the six months ended June 30, 2017 was \$123,663 as compared to \$11,307 for the six months ended June 30, 2016. The approximate \$112,000 increase was a result of the increase in the amount of our notes payable and debentures payable outstanding during the period.

Financial Condition, Liquidity and Capital Resources

Management remains focused on controlling cash expenses. We recognize our limited cash resources and plan our expenses accordingly. We intend to leverage stock-for-services wherever possible. The operating budget consists of the following expenses:

- Research and development expenses pursuant to the development of an initial demonstrable prototype and a second prototype for static volume technology.
- Acceleration of research and development through increased research personnel as well as other research agencies.
- General and administrative expenses: salaries, insurance, investor related expenses, rent, travel, website, etc.
- Hiring executive officers for technology, operations and finance.
- Professional fees for accounting and audit; legal services for securities and financing; patent research and protection.

Our independent registered public accountants, in their audit report accompanying our consolidated financial statements for the year ended December 31, 2016, expressed substantial doubt about our ability to continue as a going concern due to our organization has insufficient revenues to fund development and operating expenses.

We had net cash of \$5,323 at June 30, 2017.

We had negative working capital of \$2,053,412 at June 30, 2017.

During the six months ended June 30, 2017, we used \$457,459 of cash for operating activities, an increase of \$308,628 or 207% compared to the six months ended June 30, 2016. The increase in the use of cash for operating activities was a result of an increase in the net loss of \$823,403 partially offset by the increase in accounts payable and accrued liabilities of \$329,627, a decrease in prepaid expenses of \$51,523, and an increase in amortization expense of \$80,426.

During the six months ended June 30, 2017, we gained \$232 of cash from investing activities, an increase of \$15,232. The increase was a net result of proceeds from sale of equipment of \$2,500 and offset by the purchase of equipment of \$2,268 in the six months ended June 30, 2017 and \$20,000 of intangible assets purchased and the collection of \$5,000 from a related party in the six months ended June 30, 2016.

We expect to fund the ongoing operations through the existing financing in place and through raising additional funds as permitted by the terms of Golden State financing.

Our ability to fund the operations of the Company is highly dependent on the underlying stock price of the Company.

There is no assurance that we'll be successful in raising additional funds on reasonable terms or that the funding will be sufficient to enable us to fully complete our development activities or attain profitable operations. If we are unable to obtain such additional financing on a timely basis or, notwithstanding any request we may make, our debt holders do not agree to convert their notes into equity or extend the maturity dates of their notes, we may have to curtail development, marketing and promotional activities, which would have a material adverse effect on our business, financial condition and results of operations, and ultimately, we could be forced to discontinue our operations and liquidate.

Off Balance Sheet Arrangements

We do not engage in any off-balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, and results of operations, liquidity or capital expenditures.

Significant Accounting Policies

There has been no change in the significant accounting policies summarized in our Form 10-K for the year ended December 31, 2016, which was filed on April 14, 2017, except for the additional beneficial conversion features discussed in Note 3 in this Quarterly Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

The Company is a smaller reporting company, as defined by Rule 229.10(f)(1) and is not required to provide the information required by this Item.

Item 4. Controls and Procedures.

Limitations on Effectiveness of Controls. In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2017. The term “disclosure controls and procedures,” as defined in Rule 13a-15 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Based on our evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2017, our disclosure controls and procedures were not effective at a reasonable assurance level as we do not have sufficient resources in our accounting function, which restricts the Company’s ability to gather, analyze and properly review information related to financial reporting in a timely manner. In addition, due to our size and nature, segregation of all conflicting duties may not always be possible and may not be economically feasible. However, to the extent possible, management will engage financial consultants and perform additional analysis and other procedures to help address this material weakness. Until remediation actions are fully implemented and the operational effectiveness of related internal controls are validated through testing, the material weaknesses described above will continue to exist.

Notwithstanding the assessment that our disclosure controls and procedures were not effective and that there is a material weakness as identified herein, we believe that our condensed consolidated financial statements contained in this Quarterly Report fairly present our condensed consolidated financial position, results of operations and cash flows for the periods covered thereby in all material respects.

Changes in Disclosure Controls and Procedures. There has been no change in our disclosure controls and procedures identified in connection with the evaluation required by Rule 13a-15(d) of the Exchange Act that occurred during the quarter ended June 30, 2017 that has materially affected, or is reasonably likely to materially affect, our disclosure controls and procedures.

PART II

Item 1. Legal Proceedings.

We are not a party to any pending legal proceeding, nor is our property the subject of a pending legal proceeding, that is not in the ordinary course of business or otherwise material to the financial condition of our business. None of our directors, officers or affiliates is involved in a proceeding adverse to our business or has a material interest adverse to our business.

Item 1A. Risk Factors.

Not Applicable.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

On March 21, 2017, the Company and Mr. Michael Kraft entered into a Consulting Agreement, pursuant to which the Company granted Mr. Kraft an option to purchase from the Company \$50,000 of stock at the market price on the date of the execution of the Reverse Split, which became effective on June 28, 2017. Accordingly, the \$50,000 value of options calculates to 208,160 shares based upon the \$0.24 closing price on June 28, 2017.

The option grants were completed pursuant to the exemptions from registration provided by, among others, Section 4(a)(2) of the Securities Act of 1933, as amended.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosure.

Not Applicable.

Item 5. Other Information.

None.

Item 6. Exhibits.

Exhibit Number	Description of Exhibit
31.1	Rule 13a-14(a) / 15d-14(a) Certification of Chief Executive Officer.
31.2	Rule 13a-14(a) / 15d-14(a) Certification of Chief Financial Officer.
32.1	Section 1350 Certifications of Chief Executive Officer.
32.2	Section 1350 Certifications of Chief Financial Officer.
101.INS	XBRL Instance
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation
101.DEF	XBRL Taxonomy Extension Definition
101.LAB	XBRL Taxonomy Extension Labels
101.PRE	XBRL Taxonomy Extension Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

THE CORETEC GROUP INC.

Date: August 14, 2017

/s/ Michael A. Kraft

Name: Michael A. Kraft

Title: Chief Executive Officer

/s/ Ronald W. Robinson

Name: Ronald W. Robinson

Title: Chief Financial Officer

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Michael A. Kraft, certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Coretec Group Inc.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: August 14, 2017

By: /s/ Michael A. Kraft
Michael A. Kraft
Chief Executive Officer

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE
SARBANES-OXLEY ACT OF 2002**

I, Ronald W. Robinson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of the Coretec Group Inc.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal controls over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;
 - d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting;
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial data; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Dated: August 14, 2017

By: /s/ Ronald W. Robinson
Ronald W. Robinson
Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of the Coretec Group Inc. (the "Group") on Form 10-Q for the quarter ended June 30, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Michael A. Kraft, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. section 1350 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Date: August 14, 2017

By: /s/ Michael A. Kraft
Michael A. Kraft
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of the Coretec Group Inc. (the "Group") on Form 10-Q for the quarter ended June 30, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ronald W. Robinson, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. section 1350 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. section 1350 and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Date: August 14, 2017

By: /s/ Ronald W. Robinson
Ronald W. Robinson
Chief Financial Officer
